

COVER SHEET

SEC Registration Number

C S 2 0 2 0 5 2 2 9 4

Company Name

M R E I T , I N C .

Principal Office (No./Street/Barangay/City/Town/Province)

1 8 / F , A L L I A N C E G L O B A L T O W E R ,

3 6 T H S T . , C O R . 1 1 T H A V E . ,

U P T O W N B O N I F A C I O , T A G U I G C I T Y

CHERYLL B. SERENO

Contact Person

(632) 8894-6300/6400

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

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Month

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Day

Annual Meeting

S E C F O R M I - A C G R

Form Type

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel Concerned

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File Number

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SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended: 31 December 2021
2. SEC Identification Number: CS202052294
3. BIR Tax Identification No. 502-228-971
4. MREIT, Inc.
Exact name of issuer as specified in its charter
5. Philippines
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City
Address of principal office
8. 1634
Postal Code
8. (02) 88946400
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	SEC Form 17-A (2021), pp. 25 to 28 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc. SEC-Form-17-A-2021_12-April-2022.pdf	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	Manual on Corporate Governance, p. 9 https://mreit.com.ph/governance/manual-on-corporate-governance/	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	COMPLIANT		
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	SEC Form 17-A (2021), pp. 25 to 28 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc. SEC-Form-17-A-2021_12-April-2022.pdf Manual on Corporate Governance, p. 9 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	Manual on Corporate Governance, p. 13	

		https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Company has an orientation program for first time directors.	COMPLIANT	Manual on Corporate Governance, p. 26 https://mreit.com.ph/governance/manual-on-corporate-governance/	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	Certificates of Attendance in Corporate Governance Seminar (2021) https://edge.pse.com.ph/openDiscViewer.do?edge_no=be5317ae81d4ecdf5d542af6f1e997b9	
Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	Manual on Corporate Governance, p. 12 https://mreit.com.ph/governance/manual-on-corporate-governance/ As of 31 December 2021, the Board is composed of five (5) male directors and two (2) female directors: <ul style="list-style-type: none"> • Francisco C. Canuto • Kevin Andrew L. Tan • Katherine L. Tan • Lourdes T. Gutierrez-Alfonso • Jesus B. Varela • Sergio R. Ortiz-Luis, Jr. • Antonio E. Llandata, Jr. 	
Optional: Recommendation 1.4			

1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	COMPLIANT	Manual on Corporate Governance, p. 12 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	Manual on Corporate Governance, pp. 28 to 29 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		Company website https://mreit.com.ph/our-company/board-of-directors-management-team-and-executive-officers/maria-carla-t-uykim/ General Information Sheet (2021 – Amended) https://mreit.com.ph/disclosures/sec-pse-disclosures/
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	Certificate of Attendance in Corporate Governance Seminar (2021) https://edge.pse.com.ph/openDiscViewer.do?edge_no=be5317ae81d4ecdf5d542af6f1e997b9	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	Manual on Corporate Governance, p. 15 https://mreit.com.ph/governance/manual-on-corporate-governance/	

		A sample transmittal of board materials prior to a board meeting is attached as Annex "A".	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	Manual on Corporate Governance, pp. 5 to 6 https://mreit.com.ph/governance/manual-on-corporate-governance/ General Information Sheet (2021 – Amended) https://mreit.com.ph/disclosures/sec-pse-disclosures/ Certificate of Attendance in Corporate Governance Seminar (2021) https://edge.pse.com.ph/openDiscViewer.do?edge_no=be5317ae81d4ecdf5d542af6f1e997b9	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT		
3. Compliance Officer is not a member of the board.	COMPLIANT		
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT		
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	Manual on Corporate Governance, pp. 12 to 13 https://mreit.com.ph/governance/manual-on-corporate-governance/ <i>Establishment of Board Committees</i> <ul style="list-style-type: none"> • Manual on Corporate Governance, (pp. 18-26) https://mreit.com.ph/governance/board-committees/ 	

		<ul style="list-style-type: none"> • Company Website https://mreit.com.ph/governance/board-committees/ <p>Material Advisement Report on Asset Acquisition https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Advisement-Report-on-Material-RPT_Acquisition-of-4-Buildings-1.pdf</p>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<p>Manual on Corporate Governance, p. 13 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	<p>Material Advisement Report on Asset Acquisition https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Advisement-Report-on-Material-RPT_Acquisition-of-4-Buildings-1.pdf</p>	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	<p>Company Website https://mreit.com.ph/our-company/mission-and-vision/</p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	<p>Manual on Corporate Governance, p. 12 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	
Recommendation 2.3			

1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p>Manual on Corporate Governance, pp. 26 to 27 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Company website https://mreit.com.ph/our-company/board-of-directors-management-team-and-executive-officers/francisco-c-canuto/</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<p>Manual on Corporate Governance, p. 13 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	<p>The Company's directors and officers are seconded from its Parent and Sponsor, Megaworld Corporation. Thus, the Company's directors and officers are covered by the succession program and retirement policy of Megaworld Corporation:</p> <p>Megaworld Corporation's 2020 Annual Report, pp. 115-116 https://www.megaworldcorp.com/investors/sites/investors/files/2021-06/MEG%202020%20Annual%20Report.pdf</p>	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	<p>Manual on Corporate Governance, p. 17 to 18</p>	

2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	https://mreit.com.ph/governance/manual-on-corporate-governance/	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	<p>The Company's directors and officers are seconded from its Parent and Sponsor, Megaworld Corporation. Thus, in addition to the allowances received from the Company, the Company's directors and officers are covered by the remuneration program of Megaworld Corporation:</p> <p>Megaworld Corporation's 2020 Annual Report, p. 56</p> https://www.megaworldcorp.com/investors/sites/investors/files/2021-06/MEG%202020%20Annual%20Report.pdf	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.			
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.			
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	Manual on Corporate Governance, pp. 19 to 20	

2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	https://mreit.com.ph/governance/manual-on-corporate-governance/ Definitive Information Statement 2022, pp. 11 to 12	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	https://mreit.com.ph/assets/Uploads/MREIT-Inc.-SEC-Form-20-IS-Definitive-Information-Statement-5-May-2022-complete.pdf	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.			
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	COMPLIANT	Manual on Corporate Governance, pp. 24-26 https://mreit.com.ph/governance/manual-on-corporate-governance/	

2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	Related Party Transaction Committee Charter https://mreit.com.ph/assets/pdf/Related-Party-Transactions-Committee-Charter.pdf	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	Related Party Transactions Policy https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf Definitive Information Statement 2022, pp. 12-14 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	COMPLIANT	Related Party Transactions Policy https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf Definitive Information Statement 2022, pp. 12-14 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of	COMPLIANT	Related Party Transactions Policy	

<p>related party transactions during shareholders' meetings.</p>		<p>https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf</p> <p>Based on the Relates Party Transactions Policy, shareholders representing at least 2/3 of the outstanding capital stock may vote on RPTs for which the vote of majority of independent directors is not secured.</p>	
Recommendation 2.8			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, p. 13 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>The management team appointed for 2021 are:</p> <ul style="list-style-type: none"> • President and Chief Executive Officer – Kevin Andrew L. Tan • Treasurer – Giovanni C. Ng • Chief Financial Officer – Englebert G. Teh • Corporate Secretary – Atty. Maria Carla T. Uykim • Assistant Corporate Secretary – Atty. Vladimir B. Bumatay* • Compliance Officer – Cheryll B. Sereno • Investor Relations Officer – Dave Michael V. Valeriano <p><i>* Resigned as of March 7, 2022.</i></p>	

2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	Manual on Corporate Governance, p. 13 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	Manual on Corporate Governance, pp. 13 and 19 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	Manual on Corporate Governance, pp. 16 and 30-31 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		
3. Board approves the Internal Audit Charter.	COMPLIANT	Company Website https://mreit.com.ph/assets/pdf/Internal-Audit-Charter.pdf	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management	COMPLIANT	Manual on Corporate Governance,	

(ERM) framework to effectively identify, monitor, assess and manage key business risks.		pp. 14, 16, and 20-22 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT	Company Website https://mreit.com.ph/assets/pdf/MREIT-Enterprise-Risk-Management-Policy-v2.pdf	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	Manual on Corporate Governance https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT		
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT		
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	COMPLIANT	Manual on Corporate Governance, p. 16 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.			
2. Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	Manual on Corporate Governance, pp. 12-13	

		https://mreit.com.ph/governance/manual-on-corporate-governance/	
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<p>Recommendation 3.1</p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 18-26 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	
<p>Recommendation 3.2</p>			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 22-24 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>It is the Audit Committee's responsibility to recommend the</p>	

		appointment and removal of the company's external auditor.	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	<p>Manual on Corporate Governance, p. 22 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf</p>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	<p>Definitive Information Statement 2022, p. 26-28 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>Definitive Information Statement 2022, pp. 27 and 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>General Information Sheet</p>	

		https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	<p>Manual on Corporate Governance, p. 24 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Definitive Information Statement 2022, p. 18 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>SEC Form 17-A (2021), p.14 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	<p>Definitive Information Statement 2022, pp. 18 and 37 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>SEC Form 17-A (2021), p.14 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p>	
Optional: Recommendation 3.2			

1. Audit Committee meet at least four times during the year.	COMPLIANT	<p>Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf</p> <p>The Company's Audit Committee was established only in May 2021. This notwithstanding, the Audit Committee met twice in 2021.</p>	
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	<p>Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf</p>	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	<p>Manual on Corporate Governance, pp. 18-20 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>Pursuant to the Manual on Corporate Governance, the Committee undertook the process of identifying the quality of directors aligned with the Company's strategic direction.</p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	COMPLIANT	<p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-</p>	

		Information-Statement_5-May-2022-complete.pdf General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf	
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	Definitive Information Statement 2022, pp. 28 and 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.			
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	COMPLIANT	Manual on Corporate Governance, pp. 20-22 https://mreit.com.ph/governance/manual-on-corporate-governance/ Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	

<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>COMPLIANT</p>	<p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf</p>	
<p>3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p>Definitive Information Statement 2022, pp. 27 and 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf</p>	
<p>4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>COMPLIANT</p>	<p>Definitive Information Statement 2022, pp. 26-28 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 24-26 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	

		Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	COMPLIANT	Definitive Information Statement 2022, pp. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	COMPLIANT	Corporate Governance Committee Charter https://mreit.com.ph/assets/pdf/Corporate-Governance-Committee-Charter-v2.pdf	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT	Board Risk Oversight Committee Charter https://mreit.com.ph/assets/pdf/Board-Risk-Oversight-Committee-Charter.pdf Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	

		Related Party Transaction Committee Charter https://mreit.com.ph/assets/pdf/Related-Party-Transactions-Committee-Charter.pdf	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	Company Website https://mreit.com.ph/governance/board-committees/	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	Manual on Corporate Governance, p. 15 https://mreit.com.ph/governance/manual-on-corporate-governance/ By-Laws, p. 11 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT_BL-Amended-2Nov2021.pdf Definitive Information Statement 2022, pp. 37-38 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Manual on Corporate Governance, p. 15 https://mreit.com.ph/governance/manual-on-corporate-governance/	

3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	Manual on Corporate Governance, p. 15 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	Manual on Corporate Governance, p. 9 https://mreit.com.ph/governance/manual-on-corporate-governance/ Definitive Information Statement 2022, pp. 26-28 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	Manual on Corporate Governance, p. 28 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	COMPLIANT		
2. Company schedules board of directors' meetings before the start of the financial year.			

3. Board of directors meet at least six times during the year.	COMPLIANT	Advisement Report on Directors' Attendance in Board Meetings https://edge.pse.com.ph/openDiscViewer.do?edge_no=36446c62603d09bb3470cea4b051ca8f	
4. Company requires as minimum quorum of at least 2/3 for board decisions.			
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	COMPLIANT	Manual on Corporate Governance, p. 7 https://mreit.com.ph/governance/manual-on-corporate-governance/ General Information Sheet https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	Definitive Information Statement 2022, pp. 27-28 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	COMPLIANT	By-Laws https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT_BL-Amended-2Nov2021.pdf	

		Manual on Corporate Governance, p. 14-15 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	Definitive Information Statement 2022, pp. 27-28 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	Manual on Corporate Governance, p. 7 https://mreit.com.ph/governance/manual-on-corporate-governance/	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	COMPLIANT	None of the Company's directors has served as an independent director for more than nine years.	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	Definitive Information Statement 2022, p. 26 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf General Information Sheet	

		https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-2021_20220207-3rd-Amended-GIS.pdf	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Manual on Corporate Governance, pp. 26-27 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	COMPLIANT	The Company's Board of Directors has not elected a lead independent director for 2021 since its listing with the Philippine Stock Exchange on October 1, 2021. During the Organizational Meeting of the Board of Directors held last May 27, 2022, the Board elected Mr. Sergio R. Ortiz Luis, Jr. as the Lead Independent Director. PSE Edge https://edge.pse.com.ph/openDiscViewer.do?edge_no=b92eced95b574f5d3470cea4b051ca8f	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	Manual on Corporate Governance, p. 15 https://mreit.com.ph/governance/manual-on-corporate-governance/ There was no transaction that required a director of the Company	

		to abstain from the deliberation thereof.	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	COMPLIANT	The non-executive directors, including Independent Directors, are part of the Board Committees and have had the required meetings under this provision, but such meetings are held with other executive directors.	
2. The meetings are chaired by the lead independent director.	NON-COMPLIANT		
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.			
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	COMPLIANT	Manual on Corporate Governance, pp. 12, 19 and 39 https://mreit.com.ph/governance/manual-on-corporate-governance/ Definitive Information Statement 2022, p. 30-31 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf The Company was listed in the Philippine Stock Exchange on October 1, 2021 and this is the	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		

		Company's first year of compliance with the Annual Corporate Governance Report. The Company intends to comply with these requirements for the first time in 2022.	
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	The Company was listed in the Philippine Stock Exchange on October 1, 2021 and this is the Company's first year of compliance with the Annual Corporate Governance Report. The Company intends to comply with this requirement on its third year of operation.	
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	Manual on Corporate Governance, pp. 13 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	Definitive Information Statement 2022, p. 30-31 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf Some of the feedback mechanisms already in place by the Company are the following: 1. Investor Relations Office where the contact information of the Investor Relations Director is indicated in the company	

		<p>website;</p> <p>2. Opportunity for stockholders to raise questions and concerns during the Annual Stockholders' Meeting.</p>	
<p>Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</p>			
<p>Recommendation 7.1</p>			
<p>1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	<p>COMPLIANT</p>	<p>The Company has adopted the Code of Business Conduct and Ethics of its Parent and Sponsor, Megaworld Corporation, and adheres thereto, especially since the Company's management and other manpower are currently seconded from Megaworld Corporation:</p>	
<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	<p>COMPLIANT</p>	<p>Megaworld Corporation's Code of Business Conduct and Ethics</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>COMPLIANT</p>	<p>https://www.megaworldcorp.com/investors/investors/corporate-governance/code-business-conduct-ethics</p>	
<p>Supplement to Recommendation 7.1</p>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p>	<p>COMPLIANT</p>	<p>The Company has adopted the Code of Business Conduct and Ethics of its Parent and Sponsor, Megaworld Corporation, and adheres thereto, especially since the Company's management and other manpower are currently seconded from Megaworld Corporation:</p>	

Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	The Company has adopted the Code of Business Conduct and Ethics of its Parent and Sponsor, Megaworld Corporation, and adheres thereto, especially since the Company's management and other manpower are currently seconded from Megaworld Corporation:	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT		
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	<p>Manual on Corporate Governance, pp. 37-38 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Company Website</p> <ul style="list-style-type: none"> • https://mreit.com.ph/disclosure/sec-pse-disclosures/ • https://mreit.com.ph/disclosure/financial-reports/ <p>PSE EDGE https://edge.pse.com.ph/company/Disclosures/form.do?cmpry_id=685</p>	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90)	COMPLIANT	The Company's Audited Financial Statements for period ended December 31, 2021 were approved and submitted to the SEC and PSE on	

<p>days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>		<p>March 4, 2022, 63 days from the close of fiscal year.</p> <p>Company Website https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Full-AFS-2021-Signed-for-SEC.pdf</p> <p>PSE EDGE https://edge.pse.com.ph/openDiscViewer.do?edge_no=aa8c670e6bf2e1b43470cea4b051ca8f</p> <p>The Company's Unaudited Financial Statements for period ended September 30, 2021 were approved and submitted to the SEC and PSE on October 25, 2021, 25 days from the close of quarter.</p> <p>Company Website https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-SEC-17Q-2021-Q3-ended-30-Sept-2021.pdf</p> <p>PSE EDGE https://edge.pse.com.ph/openDiscViewer.do?edge_no=ed8e561f9726df095d542af6f1e997b9</p>	
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the</p>	<p>COMPLIANT</p>	<p>SEC Form 17-A (2021), pp. 7-9, 21-22 and 89-94 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc. SEC-Form-17-A-2021_12-April-2022.pdf</p>	

controlling shareholders' voting power and overall equity position in the company.			
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	Manual on Corporate Governance, p. 38 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT		
Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	COMPLIANT	Company Website https://mreit.com.ph/disclosures/sec-pse-disclosures/ Annual Report, p. 89-94 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc. SEC-Form-17-A-2021_12-April-2022.pdf	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	Definitive Information Statement 2022, p. 26-28 https://mreit.com.ph/assets/Uploads/MREIT-Inc. SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf Company Website https://mreit.com.ph/our-company/board-of-directors-management-team-and-executive-officers/	

<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>COMPLIANT</p>	<p>Definitive Information Statement 2022, p. 26-29 https://mreit.com.ph/assets/Uploads/MREIT-Inc. SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>Company Website https://mreit.com.ph/our-company/board-of-directors-management-team-and-executive-officers/</p>	
<p>Recommendation 8.4</p>			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 17-18 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 17-18 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 17-18 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>SEC Form 17-A (2021), pp. 19-20 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc. SEC-Form-17-A-2021_12-April-2022.pdf</p>	
<p>Recommendation 8.5</p>			

<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 24-26 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Related Party Transactions Policy (Company Website) https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf</p> <p>There were no transactions in 2021 that required a director to abstain from its discussion and approval.</p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>COMPLIANT</p>	<p>Definitive Information Statement 2022, p. 12-14 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	
<p>Supplement to Recommendation 8.5</p>			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, p. 15 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Related Party Transactions Policy (Company Website) https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf</p>	
<p>Optional : Recommendation 8.5</p>			

<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, p. 25 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Related Party Transactions Policy (Company Website) https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf</p>	
<p>Recommendation 8.6</p>			
<p>1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p>	<p>COMPLIANT</p>	<p>All material facts or events that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders are disclosed with the Philippine Stock Exchange and posted on the company website.</p> <p>Company Website https://mreit.com.ph/disclosures/sec-pse-disclosures/</p> <p>PSE EDGE https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=685</p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p>COMPLIANT</p>	<p>Definitive Information Statement 2022, pp. 12-14 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	

		<p>Fairness Opinion and Valuation Reports (Company Website) https://mreit.com.ph/disclosures/financial-reports/</p> <p>Related Party Transactions Policy (Company Website) https://mreit.com.ph/assets/pdf/MREIT-Related-Party-Transactions-Policy.pdf</p>	
Supplement to Recommendation 8.6			
<p>1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	COMPLIANT	<p>The Company is not aware of the existence of persons holding more than five percent (5%) of the Company's common shares under a voting trust or similar agreement.</p> <p>Definitive Information Statement 2022, pp. 9-10 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>SEC Form 17-A (2021), pp. 21-22 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p>	
Recommendation 8.7			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	COMPLIANT	<p>Manual on Corporate Governance (Company Website)</p>	

		https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		
3. Company's MCG is posted on its company website.	COMPLIANT		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	COMPLIANT	There have been no recent changes in the MCG. Manual on Corporate Governance (Company Website) https://mreit.com.ph/governance/manual-on-corporate-governance/	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		SEC Form 17-A (2021) https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	
a. Corporate Objectives	COMPLIANT		
b. Financial performance indicators	COMPLIANT		
c. Non-financial performance indicators	COMPLIANT		
d. Dividend Policy	COMPLIANT		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT		

f. Attendance details of each director in all directors meetings held during the year	COMPLIANT		
g. Total remuneration of each member of the board of directors	COMPLIANT		
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	COMPLIANT	SEC Form 17-A (2021), p. 24 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	COMPLIANT	Manual on Corporate Governance, pp. 20-21 https://mreit.com.ph/governance/manual-on-corporate-governance/ The Company's Board of Directors will evaluate the controls in place beginning 2022 since the Company started operating only in 2021.	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	COMPLIANT	Manual on Corporate Governance, pp. 20-21 https://mreit.com.ph/governance/manual-on-corporate-governance/ The Company's Audit Committee will evaluate the controls in place beginning 2022 since the Company started operating only in 2021.	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	COMPLIANT	SEC Form 17-A (2021), pp. 7-9 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 22-24 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf</p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 22-24 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf</p> <p>100% of the voting shares represented in the Annual Stockholders' Meeting have voted in favor of the engagement of Punongbayan & Araullo as external auditors for the fiscal year 2021.</p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 22-24 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>Audit Committee Charter</p>	

		https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	Manual on Corporate Governance, pp. 31 https://mreit.com.ph/governance/manual-on-corporate-governance/ Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	COMPLIANT	Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	

Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	COMPLIANT	Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Audit Committee Charter https://mreit.com.ph/assets/pdf/Audit-Committee-Charter.pdf	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	Manual on Corporate Governance, p. 31 https://mreit.com.ph/governance/manual-on-corporate-governance/ SEC Form 17-A (2021), pp. 14 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT	Manual on Corporate Governance, pp. 24 and 31 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	SEC Form 17-A (2021), pp. 14 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	

Additional Recommendation to Principle 9			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>COMPLIANT</p>	<p>1. Name of the audit engagement partner: Renan A. Piamonte</p> <p>2. Accreditation number: Partner - No. 107805-SEC Firm - No. 0002</p> <p>3. Date Accredited: Partner - March 10, 2020 Firm - November 24, 2020</p> <p>4. Expiry date of accreditation: Partner - December 31, 2023 Firm - December 31, 2024</p> <p>5. Name, address, contact number of the audit firm: Punongbayan and Araullo 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue, Makati City 8988-2288</p>	
<p>2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).</p>	<p>COMPLIANT</p>	<p>The members of Punongbayan and Araullo's Audit Engagement Team for MREIT, Inc. for the year 2021 audit agreed to be subjected to the SOAR Inspection Program.</p>	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and</p>	<p>COMPLIANT</p>	<p>Manual on Corporate Governance, pp. 37-38 https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	

governance (EESG) issues of its business, which underpin sustainability.			
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	SEC Form 17-A (2021), pp. 98-120 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	COMPLIANT	The communication channels used by the company are the following: 1. PSE disclosures - https://edge.pse.com.ph/companyInformation/form.do?cmpyid=127 2. Company website - https://mreit.com.ph/ 3. Analysts' and Investors' briefings 4. Press Releases 5. Office of the Investor Relations 6. Annual Stockholders' Meetings	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:		Company Website: Disclosures https://mreit.com.ph/disclosures/sec-pse-disclosures/	
a. Financial statements/reports (latest quarterly)	COMPLIANT		
b. Materials provided in briefings to analysts and media	COMPLIANT		

c. Downloadable annual report	COMPLIANT		
d. Notice of ASM and/or SSM	COMPLIANT		
e. Minutes of ASM and/or SSM	COMPLIANT		
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	Company Website https://mreit.com.ph/	
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	Manual on Corporate Governance, pp. 13-14, 16, and 23 https://mreit.com.ph/governance/manual-on-corporate-governance/ The Audit Committee ensures that all financial reports comply with internal financial and management standards, performs oversight financial management functions, pre-approves all audit plans, scope and frequency and performs direct interface functions with internal and external auditors.	

		It performs oversight responsibilities for the following: (a) Financial Reporting; (b) Risk Management; (c) Internal Control; (d) Internal Audit; (e) External Audit.	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	Enterprise Risk Management Policy https://mreit.com.ph/governance/enterprise-risk-management/ The risk management system will be reviewed annually.	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	COMPLIANT	Manual on Corporate Governance, pp. 6, 13, 16, 22-23 and 32 https://mreit.com.ph/governance/manual-on-corporate-governance/ The review on the effectiveness of the internal control system shall be done annually.	
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.			
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an	COMPLIANT	Manual on Corporate Governance, pp. 32-33	

<p>independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>		<p>https://mreit.com.ph/governance/mannual-on-corporate-governance/</p> <p>The internal audit function is performed in-house.</p>	
Recommendation 12.3			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>COMPLIANT</p>	<p>The Company's Board of Directors has not appointed a Chief Audit Executive for 2021 since its listing with the Philippine Stock Exchange on October 1, 2021.</p> <p>During the Organizational Meeting of the Board of Directors held last May 27, 2022, the Board elected Mr. Francisco C. Canuto as the Chief Audit Executive.</p> <p>PSE Edge https://edge.pse.com.ph/openDiscViewer.do?edge_no=b92eced95b574f5d3470cea4b051ca8f</p>	
<p>2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.</p>	<p>COMPLIANT</p>	<p>The Company's Board of Directors has not appointed a Chief Audit Executive for 2021 since its listing with the Philippine Stock Exchange on October 1, 2021. In the meantime, the internal audit function was supervised by the Audit Committee.</p> <p>During the Organizational Meeting of the Board of Directors held last May 27, 2022, the Board elected Mr.</p>	

		Francisco C. Canuto as the Chief Audit Executive. PSE Edge https://edge.pse.com.ph/openDiscViewer.do?edge_no=b92eced95b574f5d3470cea4b051ca8f	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	COMPLIANT	The Company's internal audit function is performed in-house.	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	Enterprise Risk Management Policy https://mreit.com.ph/governance/enterprise-risk-management/	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	Enterprise Risk Management Policy https://mreit.com.ph/governance/enterprise-risk-management/	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	The Company's Board of Directors has not appointed a Chief Risk Officer for 2021 since its listing with the Philippine Stock Exchange on October 1, 2021. In the meantime, the Company's Compliance Officer performed the functions of a Chief Risk Officer.	

		<p>During the Organizational Meeting of the Board of Directors held last May 27, 2022, the Board elected Ms. Cheryl B. Sereno as the Chief Risk Officer.</p> <p>PSE Edge https://edge.pse.com.ph/openDiscViewer.do?edge_no=b92eced95b574f5d3470cea4b051ca8f</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>COMPLIANT</p>	<p>The Company's Board of Directors has not appointed a Chief Risk Officer for 2021 since its listing with the Philippine Stock Exchange on October 1, 2021. In the meantime, the Company's Compliance Officer performed the functions of a Chief Risk Officer.</p> <p>During the Organizational Meeting of the Board of Directors held last May 27, 2022, the Board elected Ms. Cheryl B. Sereno as the Chief Risk Officer.</p> <p>PSE Edge https://edge.pse.com.ph/openDiscViewer.do?edge_no=b92eced95b574f5d3470cea4b051ca8f</p> <p>Definitive Information Statement 2022, p. 30 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-</p>	

		Information-Statement_5-May-2022-complete.pdf	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	COMPLIANT	Attached as Annex "B" is the attestation signed by the CEO.	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	Manual on Corporate Governance, pp. 33-36 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Manual on Corporate Governance, pp. 33-36 (Company Website) https://mreit.com.ph/governance/manual-on-corporate-governance/	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT	Definitive Information Statement 2022, pp. 8 and 20 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	Manual on Corporate Governance, pp. 33-37 https://mreit.com.ph/governance/manual-on-corporate-governance/	

		Definitive Information Statement 2022, pp. 8 and 20 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	Definitive Information Statement 2022, pp. 39-41 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	COMPLIANT	Manual on Corporate Governance, pp. 33-37 https://mreit.com.ph/governance/manual-on-corporate-governance/ While there is a risk that the controlling shareholders’ voting power may be restrictive or authorize preferences, the Board is committed to respect the rights of the shareholders as provided for in the Corporation Code. These include the right to vote on all matters that require their consent or approval, such that a director shall not be removed without cause if it will deny minority shareholders representation in the Board.	
5. Board allows shareholders to call a special shareholders’ meeting and submit a	COMPLIANT	Manual on Corporate Governance, pp. 35-36	

proposal for consideration or agenda item at the AGM or special meeting.		https://mreit.com.ph/governance/manual-on-corporate-governance/	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	Manual on Corporate Governance, pp. 33-37 https://mreit.com.ph/governance/manual-on-corporate-governance/	
7. Company has a transparent and specific dividend policy.	COMPLIANT	Manual on Corporate Governance, p. 35 https://mreit.com.ph/governance/manual-on-corporate-governance/ Definitive Information Statement 2022, pp. 24-25 https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	BDO Unibank, Inc. – Trust & Investments Group, the Company's Stock Transfer Agent.	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	COMPLIANT	This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2022. For 2022, the Notice and Agenda of the Annual Stockholders' Meeting were issued to stockholders and published for two consecutive days	

		<p>in newspaper of general circulation, print and online, on April 20 and 21, 2022, or at least 34 days prior to the scheduled meeting. A link to the Definitive Information Statement for 22 is as follows, and the Notice is in page 3 thereof:</p> <p>https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p> <p>A copy of the Notice can also be found in the Company's Website:</p> <p>https://mreit.com.ph/assets/genericpage/files/frame-2/Notice-of-Annual-Stockholders-Meeting-2022.pdf</p>	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:			
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	<p>This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p> <p>For 2022, kindly refer to the Definitive Information Statement, pp. 25-29:</p> <p>https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	

b. Auditors seeking appointment/re-appointment	COMPLIANT	<p>This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p> <p>For 2022, kindly refer to the Definitive Information Statement, p. 29: https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	
c. Proxy documents	COMPLIANT	<p>This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p> <p>For 2022, kindly refer to the Definitive Information Statement, p. 6: https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf</p>	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	<p>This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p> <p>For 2022, kindly refer to the Definitive Information Statement, pp. 4-5:</p>	

		https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	<p>This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p> <p>For 2022, the results of the Annual Stockholders' Meeting was made publicly available within the working day.</p> <p>PSE EDGE https://edge.pse.com.ph/openDiscViewer.do?edge_no=02e0cf13b2aea5003470cea4b051ca8f</p>	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT	<p>Minutes of Annual Stockholders' Meeting 2021 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc-v2.-ASM-Minutes-May-28-2021-signed.pdf</p>	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	<p>This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p>	

		For 2022, the external auditor joined the Annual Stockholders' Meeting, and was otherwise consulted in respect of questions from shareholders that might concern the external auditor.	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	Manual on Corporate Governance, pp. 14, and 36-37 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	Manual on Corporate Governance, pp. 14, and 36-37 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	Investor Relations Officer 1. Name: Dave Michael V. Valeriano 2. Telephone number: (632)8946331 3. Fax number: N/A 4. E-mail address: dvaleriano@megaworldcorp.com	
2. IRO is present at every shareholder's meeting.	COMPLIANT	This requirement does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.	

		For 2022, the IRO joined the Annual Stockholders' Meeting.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	COMPLIANT	<p>As indicated in the Manual of Corporate Governance, the presence of Independent Directors and the combination of executive and non-executive Directors is one measure that the Company adopted in order that no director, small group of directors, and controlling shareholder group can dominate the decision-making process.</p> <p>The Manual on Corporate Governance also recognizes that shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:</p> <p>a. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or</p>	

		<p>shortening the term of corporate existence;</p> <p>b. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and;</p> <p>c. In case of merger or consolidation.</p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	COMPLIANT	The Company's public float as of December 31, 2021 is 37.51%.	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	COMPLIANT	<p>Manual on Corporate Governance, pp. 33-37</p> <p>https://mreit.com.ph/governance/manual-on-corporate-governance/</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	COMPLIANT	<p>This does not apply to the Annual Stockholders' Meeting for 2021 since the Company was listed in the Philippine Stock Exchange only on October 1, 2021.</p> <p>For 2022, kindly refer to the following:</p> <ul style="list-style-type: none"> • <i>Definitive Information Statement, pp. 6 and 39-41:</i> https://mreit.com.ph/assets/Uploads/MREIT-Inc._SEC-Form-20-IS-Definitive-Information-Statement_5-May-2022-complete.pdf • <i>Company's Website</i> 	

<https://mreit.com.ph/asm2022/>

Duties to Stakeholders

Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.

Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	Manual on Corporate Governance, pp. 12-13, 16, and 30 https://mreit.com.ph/governance/manual-on-corporate-governance/	
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Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Manual on Corporate Governance, pp. 37-39 https://mreit.com.ph/governance/manual-on-corporate-governance/	
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Recommendation 14.3

1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	Stakeholders can voice their concerns and/or complaints for possible violation of their rights to the following: Mr. Dave Michael Valeriano – Investor Relations Officer +632-8946331 dvaleriano@megaworldcorp.com The Company will also adopt a whistleblowing policy to further transparency in the Company.	
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Supplement to Recommendation 14.3

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	Manual on Corporate Governance, p. 37 https://mreit.com.ph/governance/manual-on-corporate-governance/	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	COMPLIANT	The Company has not sought any exemption for the application of any law, rule or regulation especially when it refers to a corporate governance issue.	
2. Company respects intellectual property rights.	COMPLIANT	SEC Form 17-A (2021), pp. 5-6 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare			
2. Company discloses its policies and practices that address supplier/contractor selection procedures			
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to	COMPLIANT	Manual on Corporate Governance, pp. 38-39	

actively participate in the realization of the company's goals and in its governance.		https://mreit.com.ph/governance/manual-on-corporate-governance/	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	COMPLIANT	Manual on Corporate Governance, pp. 38-39 https://mreit.com.ph/governance/manual-on-corporate-governance/	
2. Company has policies and practices on health, safety and welfare of its employees.	COMPLIANT	Manual on Corporate Governance, pp. 38-39 https://mreit.com.ph/governance/manual-on-corporate-governance/ The Company is committed to maintain a safety and security program for its officers and employees, which is periodically updated and revised. The Company provides free health care coverage to its manpower, and periodically upgrades its security procedures and facilities to ensure safety in the workplace.	
3. Company has policies and practices on training and development of its employees.	COMPLIANT	Manual on Corporate Governance, pp. 38-39 https://mreit.com.ph/governance/manual-on-corporate-governance/ Megaworld Corporation handles and manages the training and development of the Company's employees through Megaworld's Learning Academy which oversees	

		the whole learning and development of the employees. The Company has a performance system in place to provide an opportunity for getting feedback on how the employee is contributing to the overall goal of the Company.	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	COMPLIANT	<p>Manual on Corporate Governance, pp. 38-39 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>SEC Form 17-A (2021), p. 103 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	<p>Manual on Corporate Governance, pp. 38-39 https://mreit.com.ph/governance/manual-on-corporate-governance/</p> <p>SEC Form 17-A (2021), p. 103 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p>	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	COMPLIANT	The Company has adopted the Code of Business Conduct and Ethics of its Parent and Sponsor, Megaworld Corporation, especially since the Company's management and other	

		<p>manpower are currently seconded from Megaworld Corporation:</p> <p>Megaworld Corporation's Code of Business Conduct and Ethics https://www.megaworldcorp.com/investors/investors/corporate-governance/code-business-conduct-ethics</p>	
Recommendation 15.3			
<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	COMPLIANT	<p>The Company has adopted and adheres with the Whistleblowing Policy of its Parent and Sponsor, Megaworld Corporation, especially since the Company's management and other manpower are currently seconded from Megaworld Corporation:</p> <p>Megaworld Corporation's Whistleblowing Policy https://www.megaworldcorp.com/investors/investors/corporate-governance/companies-policies</p>	
<p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>	COMPLIANT	<p>The Company has adopted and adheres with the Whistleblowing Policy of its Parent and Sponsor, Megaworld Corporation, especially since the Company's management and other manpower are currently seconded from Megaworld Corporation:</p>	

		Megaworld Corporation's Whistleblowing Policy https://www.megaworldcorp.com/investors/investors/corporate-governance/companies-policies	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	<p>The Company has adopted and adheres with the Whistleblowing Policy of its Parent and Sponsor, Megaworld Corporation, especially since the Company's management and other manpower are currently seconded from Megaworld Corporation:</p> <p>Megaworld Corporation's Whistleblowing Policy https://www.megaworldcorp.com/investors/investors/corporate-governance/companies-policies</p>	

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

Recommendation 16.1

1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	COMPLIANT	SEC Form 17-A (2021), pp. 98-120 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf	
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Optional: Principle 16

<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>	<p>COMPLIANT</p>	<p>SEC Form 17-A (2021), pp. 98-120 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>COMPLIANT</p>	<p>SEC Form 17-A (2021), pp. 98-120 https://mreit.com.ph/assets/genericpage/files/frame-2/MREIT-Inc._SEC-Form-17-A-2021_12-April-2022.pdf</p> <p>Corporate Social Responsibility Programs of the Alliance Global Group https://www.allianceglobalinc.com/corporate-social-responsibility</p>	

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of _____ on _____ 2022.



FRANCISCO C. CANUTO
Chairman of the Board



KEVIN ANDREW L. TAN
President and Chief Executive Officer



JESUS B. VARELA
Independent Director



SERGIO R. ORTIZ-LUIS, JR.
Independent Director



ANTONIO E. LLANTADA, JR.
Independent Director



MARIA CARLA T. UYKIM
Corporate Secretary



CHERYLL B. SERENO
Compliance Officer

SUBSCRIBED AND SWORN to before me this _____ day of MAY 3 3 2022 2022, affiants exhibiting to me their Tax Identification Nos., as follows:

Name	Tax Identification No.
Francisco C. Canuto	102-956-483
Kevin Andrew L. Tan	224-803-734
Jesus B. Varela	147-974-175
Sergio R. Ortiz-Luis, Jr.	107-846-762
Antonio E. Llantada, Jr.	110-069-703
Maria Carla T. Uykim	159-353-280
Cheryll B. Sereno	301-070-334



ATTY. EDUARDO P. BAROT
Notary Public for Taguig Roll No. 36248
Commission No. 3 until December 31, 2022
PTR No. 4863627 / 01.03.2022 / Mandaluyong City
IBP Lifetime No. 013895 / 06.02.15 / RSM
MCLE Compliance No. VI-0007875 / 04.14.2022
Unit 2A the Grand Hamptons Tower 2, 1st Avenue cor.
31st St. Bonifacio Global City, Taguig City

Doc No. 241;
Page No. 50
Book No. 48
Series 2022.



18th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue
 Uptown Bonifacio, Taguig City, Philippines, 1634
 Tel. No. 88946400 • www.mreit.com.ph

TRANSMITTAL SHEET

To :	KLT (MREIT Director)
Company :	
Address :	30 th AGT
From :	Office of the Corporate Secretary
Date :	
Subject :	Materials for Dec. 15, 2021 Meeting

We hereby transmit the following:

Document	Quantity	Remarks
List of Properties to be purchased from MEG, including supporting documents	1	1 set

Other Instructions :	
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Received by :

J. Dec. 10, 2021

(Signature over Printed Name)



**Internal Control and Compliance System Attestation
For the Year Ended 31 December 2021**

MREIT, Inc.'s corporate governance system includes a combination of internal and external mechanisms, such as the structure of the board of directors and our committees, the oversight it exercises over management, and the formulation of sound policies and controls.

The Board of Directors is responsible for the governance of the Corporation. Corollary to setting the policies for the accomplishment of corporate objectives, it provides an independent check on Management. The Board ensures the Corporation's faithful compliance with all applicable laws, regulations, and best business practices. It likewise ensures the Corporation's proper and efficient implementation and monitoring of compliance with internal policies.

The Audit Committee assists the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, internal and external audit processes, and monitoring of compliance with applicable laws, rules, and regulations.

Through the Internal Audit team, the Audit Committee monitors and evaluates the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designated internal control procedures and processes that will provide a system of checks and balances are in place in order to (a) safeguard the Corporation's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the Corporation's financial data, and (d) ensure compliance with applicable laws and regulations.

Management is responsible for formulating, under the supervision of the Audit Committee, the rules and procedures on financial reporting and internal control in accordance with the prescribed guidelines.

Based on the above assurance provided by the internal auditors, as well as external auditors as a result of their reviews, we attest that MERIT, Inc.'s system of internal controls, risk management, compliance and governance processes are adequate.

A handwritten signature in black ink, appearing to read 'Kevin Andrew L. Tan', written over a horizontal line.

Kevin Andrew L. Tan
Chief Executive Officer and President

CERTIFICATION

I, **CHERYLL B. SERENO**, the duly appointed and qualified Compliance Officer of MREIT, INC. (the "Corporation"), a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS202052294 and principal office at the 18th Floor, Alliance Global Tower, 36th Street corner 11th Avenue, Uptown Bonifacio, Taguig City 1634, do hereby certify and state:


1. I have caused this SEC Form I-ACGR to be prepared on behalf of the Corporation;
2. I read and understood its contents which are true and correct of my own personal knowledge and/or based on authentic records;
3. The Corporation will comply with the requirements set forth by the SEC for a complete and official submission of reports and/or documents through electronic mail;
4. That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee;
5. That the e-mail account designated by the Corporation pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Corporation in its online submissions to the Securities and Exchange Commission.


CHERYLL B. SERENO
Compliance Officer

SUBSCRIBED and SWORN TO before me on the date and at the place indicated below. The affiant exhibited to me her Passport ID No. P5869335B issued on November 26, 2020 in DFA Manila.

WITNESS MY HAND AND SEAL this MAY 30 2022 in TAGUIG CITY Philippines.

Doc No. 140
Page No. 49
Book No. 98
Series of 2021


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